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FRAMEWORK COMPILATION OF PROPOSALS FROM PARTIES FOR THE ELEMENTS OF A PROTOCOL OR ANOTHER LEGAL INSTRUMENT

Addendum

Note by the Chairman

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INTRODUCTION

1. As requested by the Ad Hoc Group on the Berlin Mandate (AGBM) at its fifth session, the Chairman, assisted by the secretariat, prepared a framework compilation, incorporating textual proposals from Parties as well as other proposals from Parties, for the elements of a protocol or another legal instrument received by 15 January 1997, and identifying the sources (FCCC/AGBM/1997/2).

2. Five further proposals from Parties have subsequently been received [1] and are organized in this note in the same format as that of the framework compilation using only the relevant headings. An additional heading has, however, been included in this addendum, "Education, training and public awareness", in order to accommodate a proposal made regarding this element.

3. For an explanation of this note, including its scope and possible action by the AGBM, readers are referred to paragraphs 2-9 of the framework compilation (FCCC/AGBM/1997/2). These paragraphs also provide information regarding the format and organization of this document.

I. INTRODUCTORY ELEMENTS

A. Preamble

4.1 This Protocol regulates future actions and the implementation of the commitments of the Parties to the UN Framework Convention on Climate Change (hereafter referred to as "the Convention") facilitating achievement of its ultimate objective determined in Article 2,

4.2 This Protocol contains indicators on the limitation and reduction of greenhouse gas emissions which are genuinely feasible for Parties and which are developed on the principles of the common but differentiated responsibilities of States and ecologically sustainable development,

4.3 This Protocol includes mechanisms provided by the Convention without any change or replacement of the statements and principles of the Convention. Where necessary, the Protocol also permits the use of additional mechanisms, which do not contradict the Convention and facilitate implementation of the objectives of the Protocol,

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1. New proposals submitted by New Zealand, Republic of Korea, Russian Federation, Saudi Arabia and Venezuela, Iran, Saudi Arabia and the United Arab Emirates.

4.4 This Protocol takes into account, to the maximum degree, the real contribution of each Party to the implementation of its commitments under the Convention on the limitation and reduction of greenhouse gas emissions to the atmosphere and the enhancement of their removal. **(Russian Federation)**[2]

5.1 Reaffirming the need for a comprehensive approach in addressing climate change, to include all relevant greenhouse gases in all economic sectors (supply and demand) by sources and removals by sinks, mitigation as well as adaption to climate change,

5.2 Acknowledging the great potential in reducing emissions of policies intended to remove subsidies, tax incentives and other market imperfections from greenhouse gas emitting sectors in Annex I country Parties, and therefore highest priority should be given to those policies in implementing their commitments. **(Saudi Arabia)**

6.1 Noting that the largest share of historical and current global emissions of greenhouse gases has originated in developed countries, and the per capita emissions in developing countries are still relatively low and that the share of global emissions originating in developing countries will grow to meet their social and development needs,

6.2 Recognizing the special difficulties of those countries, especially developing countries, whose economies are particularly dependent on fossil fuel production, use and exportation, as a consequence of action taken on limiting greenhouse gas emissions,

6.3 Affirming that response to climate change should be coordinated with social and economic development in an integrated manner with a view to avoiding adverse impacts on the latter, taking into full account legitimate economic growth and the eradication of poverty,

6.4 Recognizing that all countries, especially developing countries, need access to resources required to achieve sustainable social and economic development and that, in order for developing countries to progress towards that goal, their energy consumption will need to grow taking into account the possibilities for achieving greater energy efficiency and for controlling greenhouse gas emissions in general, including through the application of new technologies on terms which make such an application economically and socially beneficial,

6.5 Reaffirming the need for a comprehensive approach in addressing climate change, to include all relevant greenhouse gases in all economic sectors by sources and removals by sinks, mitigation as well as adaptation to climate change,

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2. Note to reader: the submission from the Russian Federation was received in Russian accompanied by an unofficial translation in English. This note has been prepared on the basis of that unofficial translation.

6.6 Acknowledging the potential contribution of the elimination of subsidies and other economic incentives, including tax incentives to reduction of greenhouse gas emissions in Annex I countries. **(Venezuela, Iran, Saudi Arabia and the United Arab Emirates)**[3]

B. Definitions

7.1 For the purposes of this Protocol the following definitions are used. These are additional to the definitions in Article 1 of the Convention.

7.2 "The Convention" means the United Nations Framework Convention on Climate Change.

7.3 "Party" means Party to this Protocol.

7.4 "Greenhouse gas" means any gas with a greenhouse effect not controlled by the Montreal Protocol for which a global warming potential is set forth in Annex C of this Protocol.

7.5 "Anthropogenic emission" means the total emissions of greenhouse gases into the atmosphere within the territory of a Party caused by human activity during a concrete period.

7.6 "Anthropogenic sink" means the total removal of greenhouse gases from the atmosphere within the territory of a Party caused by human activity during a concrete period.

7.7 "Global warming potential" means the numerical parameter used for the calculation of the emission of one metric tonne of one or more other greenhouse gas in such an amount of carbon dioxide which causes the same greenhouse effect as one metric tonne of this gas.

7.8 "Net anthropogenic emissions of greenhouse gases" means the difference between anthropogenic emissions and anthropogenic sinks during the concrete period.

7.9 "Tonne of carbon equivalent" means the amount of carbon dioxide (or other greenhouse gas calculated by global warming potential) in terms of tonnes of carbon (44/12 of one tonne of carbon dioxide is equal to one tonne of carbon).

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3. Note to reader: proposed text submitted by Venezuela, Iran, Saudi Arabia and the United Arab Emirates is hereafter referred to as from "Venezuela et al"

7.10 "Quota of net anthropogenic emissions of greenhouse gases" means the total sum of annual net anthropogenic emissions of greenhouse gases (calculated in terms of carbon equivalent) permitted by this Protocol for a Party for this period of commitments. **(Russian Federation)**

8.1 For the purpose of this Protocol:

8.2 "Convention" means the United Nations Framework Convention on Climate Change, adopted at New York on 9 May 1992.

8.3 "Protocol" means this [*insert full name of Protocol*].

8.4 "Parties" means those States or regional economic integration organizations (as defined in Article 1, paragraph 6 of the Convention) as to which this Protocol has entered into force in accordance with its terms.

8.5 "Parties to the Convention" means those States or regional economic integration organizations as to which the Convention has entered into force in accordance with its terms, whether or not they are Parties to this Protocol.

8.6 "Conference of the Parties" means the Conference of the Parties to the Convention established by Article 7 of the Convention.

8.7 "Annex I Parties" means Parties included in Annex I [*insert identification of the Annexes listing developed country Parties making commitments for QELROs and policies and measures*].

8.8 "Annex III Parties" means developing country Parties whose economies are highly dependent on the exploitation, production, processing and exportation of fossil fuels.

8.9 "Compensation mechanism" means the mechanism which shall be established by this Protocol to compensate social and economic losses arising from the implementation of the present instrument sustained by Annex III Parties.

8.10 "Secretariat" means the permanent secretariat designated by the Conference of the Parties in accordance with Article 8, paragraph 3 of the Convention.

8.11 "Depositary" means the Depositary designated in Article 19 of the Convention. **(Venezuela et al)**

C. Objective

9. The objective of this Protocol is, in accordance with the statements of the Convention and this Protocol, to undertake in the period after 2000 future steps to achieve the ultimate objective of the Convention, as fixed in its Article 2. **(Russian Federation)**

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10. The objective of this Protocol and any related legal instruments is the same as Article 2 of the Convention and paragraph 2 of the Berlin Mandate. **(Venezuela et al)**

D. Principles

11. In their activities, the Parties to the Protocol are guided by the principles of Article 3 of the Convention. **(Russian Federation)**

12.1 The developed country Parties should take the lead in combating climate change and the adverse effects thereof.

12.2 The specific needs and special circumstances of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change and of those Parties that would have to bear a disproportionate or abnormal burden under the Protocol, should be given full consideration.

12.3 The Parties should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, thus enabling them better to address the problems of climate change. Measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.

12.4 Nothing in this instrument shall be interpreted in any manner that would prejudice the obligations and commitments of Annex I Parties under the Convention.

12.5 In the implementation of the commitments in this instrument, the Parties shall give full consideration to what actions are necessary under the instrument, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns of developing country Parties arising from the adverse effects of climate change and/or the impacts of the implementation of response measures, especially on: a) small island countries; b) countries with low-lying coastal areas; c) countries with arid and semi-arid areas, forested areas and areas liable to forest decay; d) countries with areas prone to natural disasters; e) countries with areas liable to drought and desertification; f) countries with areas of high urban atmospheric pollution; g) countries with areas with fragile ecosystems, including

mountainous ecosystems; h) countries whose economies are highly dependent on income generated from the production, processing and export of oil; and i) land-locked and transit countries.

12.6 The Parties shall take into consideration in the implementation of the commitments of the instrument the situation of Parties, particularly developing country Parties, with economies that are vulnerable to the adverse effects of the implementation of measures to respond to climate change. This applies notably to Parties with economies that are highly dependent on the production, processing and export of oil for which such Parties have serious difficulties in switching to alternatives.

12.7 Nothing in this instrument shall be interpreted as introducing any new commitment for non-Annex I Parties of the Convention. **(Venezuela et al)**

II. STRENGTHENING THE COMMITMENTS IN ARTICLE 4.2(a) and (b)

A. Policies and measures

General commitments and guiding objectives

13.1 A detailed list of possible policies and measures to be implemented by Annex A and Annex B Parties is contained in Annex D of the Protocol.

13.2 Each Annex A and Annex B Party determines its policy directions and measures from this list, in accordance with the list in Annex C, and these are then declared in its national communications. Under this procedure, such policies and measures become mandatory for the Parties.

13.3 On the basis of policies and measures determined by Annex A and Annex B Parties in their national communications, any group of Parties to the Protocol can agree to elaborate common directions of policies and measures which then become obligatory for this group of Parties. **(Russian Federation)**

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14. Annex I Parties should maintain balance between those policies and measures intended to reduce domestic production and those intended to reduce the consumption of products of greenhouse gas emitting sectors. **(Saudi Arabia)**

15.1 Policies and measures to address climate change under this instrument shall not be harmful to the development of the developing country Parties, particularly oil exporting developing countries. To this effect, restructuring of current taxes on fossil fuels in Annex I countries are necessary. A certain balance shall be maintained between policies and measures aimed at reducing emissions of greenhouse gases in emitting sectors and those aimed at reducing consumption of their products. The introduction of new or increased oil taxation shall be ruled out. Instead, energy prices will be allowed to reach their reasonable market level.

15.2 Commitments shall be fulfilled individually and not through coordinated actions, including joint implementation and trade in emission permits. **(Venezuela et al)**

Specific policies and measures

16. *Fossil fuel subsidies should be removed by all Parties.* **(New Zealand)**

17.1 Each Annex I Party should give the first priority to policies and measures intended to eliminate subsidies, tax incentives and other market imperfections existing in greenhouse gas emitting sectors.

17.2 New greenhouse gas taxes cannot be introduced by Annex I Parties until they restructure their existing tax system to truly reflect the relative contribution of greenhouse gases of each unit of emitting sources in all economic sectors. **(Saudi Arabia)**

18.1 Each Annex I Party shall give the first priority to policies and measures eliminating subsidies and tax incentives, as well as other market imperfections in greenhouse gas emitting sectors.

18.2 Equally, policies and measures shall also include the enhancement of sinks through reforestation, combatting desertification and establishing regulations for sustainable forest use **(Venezuela et al)**

Differentiation (policies and measures)

19. In the implementation of these commitments, the principle of common but differentiated responsibility shall be fully observed. The criteria for differentiation could be as follows: economic growth (GDP), historical share, dependency on incomes from fossil fuels, access to sources of renewable energy, defence industry, population growth, special circumstances and share in international trade. **(Venezuela et al)**

B. Quantified emission limitation and reduction objectives within specified time-frames (QELROs)

Guiding objectives

20.1 *An emissions envelope should be adopted, initially for Annex I Parties, which minimizes overall abatement costs through time, consistent with the long-term goal of stabilizing the atmospheric concentration of greenhouse gases.*

20.2 *An individual Party's commitments could be specified as proportional shares of any emissions envelope to facilitate future adjustment.* **(New Zealand)**

21.1 *The following three principles set forth in the Convention should be reflected in the elaboration of QELROs in a balanced way:*

a) Burden sharing, based on equity and common but differentiated responsibilities and respective capabilities (Articles 3.1 and 3.2);

b) Cost effectiveness (Article 3.3); and

c) Harmony with economic development and an open international economic system (Articles 3.4 and 3.5).

21.2 *A set of qualitative QELROs (Q-QELROs) could also be devised to enhance the sustainability of economic growth in terms of greenhouse gas emissions. Each Annex I Party could set a target to improve the elasticity of greenhouse gas emissions in terms of GDP and implement a variety of policies and measures, including the improvement of energy use efficiency, etc.* **(Republic of Korea)**

Coverage

22. The instrument shall cover equally all greenhouse gases, their emissions by sources and removals by sinks, and all relevant sectors. **(Venezuela et al)**

23.1 *All sources and sinks of greenhouse gases should be included where practical and cost effective.*

23.2 *Absolute increases and decreases in the stock of carbon in land use and forestry should be offset against an individual Party's gross emissions commitments (in contrast to the existing approach which offsets changes in the rate of change of biomass relative to 1990 levels against changes in gross emissions).* **(New Zealand)**

Level and timing/emissions budgets

24.1 *The allocation of commitments for the post-2000 period should be based on a five year average of base emissions.* **(New Zealand)**

25.1 The developed country Parties and other Parties included in Annex A of the Protocol commit themselves to maintain, individually or jointly, their average annual levels of net anthropogenic emissions of greenhouse gases in the period from 2000 to 2010 at 1990 levels, or at the level of any other year taken by these Parties as a base year.

25.2 Quantitative objectives to limit and reduce net anthropogenic emissions of greenhouse gases by Annex A Parties to the Protocol after 2010 shall also be regulated. Quantitative objectives for the first period following the period 2000 to 2010 should be adopted no later than 2007.

25.3 The developed country Parties and other developed Parties included in Annex B to the Protocol, aiming to enhance their commitments and taking into account their real possibilities, shall also adopt the following additional differentiated obligations to reduce their net anthropogenic emissions of greenhouse gases below 1990 levels:

[*to be developed on the basis of proposals by Annex II Parties in terms of percentage of net anthropogenic emissions of greenhouse gases from 1990 levels or from the level of another year to be taken as a benchmark*].

25.4 In order to provide each Annex A and Annex B Party with necessary flexibility in the implementation of its commitments fixed in Article 4.1.1 of this Protocol, each Annex A and Annex B Party has the right to use quotas of its net anthropogenic emissions of greenhouse gases in the framework of the concrete period for which quantitative objectives are determined and valid. If an Annex A or Annex B Party achieves real reductions in net anthropogenic emissions of greenhouse gases which are greater than that determined by its commitments, this difference (in terms of the sum of annual reductions of tonnes of carbon equivalent) is registered as a contribution to the fulfillment of that Party's commitments for the next period.

25.5 In order to provide each Annex A and Annex B Party with necessary flexibility, if the real reduction in net anthropogenic emissions of greenhouse gases achieved by any such Party in previous years was greater than its appropriate level of commitments, this difference (determined in terms of the sum of annual reductions of tonnes of carbon equivalent) will be accounted for this Party for the next period in its quota of net anthropogenic emissions of greenhouse gases. **(Russian Federation)**

Differentiation (QELROs)

26. *Possible formats for QELROs include the following:*

a) The concept of 'equal right solution' could be applied to embody the principle of equity and common but differentiated responsibilities. Each individual person could have an equal right to the emission of greenhouse gases, leading to the fair distribution of rights amongst all the Annex I Parties according to cumulative emissions of greenhouse gases since the industrial revolution to a certain target year. This principle could be further elaborated and applied to obtain equity in burden sharing in the future;

b) The concept of 'equal capability solution' could be applied to embody the principle of respective capabilities. Each Annex I Party could share the burden regarding emission reduction according to its capability, so that Parties with the same capabilities would share equal emission reduction burdens. Per capita GDP could be used, inter alia, as an indicator of capability; and

c) The principle of harmony with economic development could be applied by differentiating QELROs on the basis of elasticity of greenhouse gas emissions in terms of GDP. Burden sharing amongst Annex I Parties would thus be determined according to the inverse elasticity of greenhouse gas emissions. A country with a higher elasticity of greenhouse gas emissions would therefore share a lower burden in greenhouse gas emission limitation. (Note to reader: the above paragraphs should be read together with paras. 21.1 and 21.2 in the section on Guiding objectives for QELROs.) **(Republic of Korea)**

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27. In accordance with the principle of allowing a certain degree of flexibility regarding commitments for the Parties included in Annex I of the Convention undergoing the process of transition to a market economy, taking into account their real reduction in net anthropogenic emissions of greenhouse gases during the period 1990 to 2000 and the need to enhance the ability of these Parties to solve climate change problems, such a Party has the right to maintain, after 2010, its average annual levels of net anthropogenic emissions of greenhouse gases at 1990 levels (or at the level of another year taken by such a Party as a benchmark) until that Party achieves the average Gross Domestic Product per capita of Annex B Parties. **(Russian Federation)**

Flexibility
Emissions trading

28.1 *Parties should be allowed to trade and bank emission reductions.*

28.2 *Anyone should be permitted to trade subject to clear accountability requirements.* **(New Zealand)**

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29. *Commitments shall be fulfilled individually and not through coordinated actions, including trade in emission permits.* **(Venezuela et al)**

Joint implementation (JI)

30.1 In order to fulfil their commitments under the Protocol, any two Parties, or a group of Parties, to the Protocol may jointly, on the territory of one or several Parties, undertake concrete projects aimed at limiting net anthropogenic emissions of greenhouse gases in any sector of the economy (joint implementation projects).

30.2 Parties participating in joint implementation projects, on the basis of joint agreement and in accordance with their contributions to the projects, have the right to share among themselves the results of the greenhouse gas emission reduction and/or sink enhancement (in terms of tonnes of carbon equivalent) achieved by the projects. These are then taken into account in the implementation of their commitments under the Protocol.

30.3 Joint implementation projects can be implemented by Parties included in Annex A and B, as well as by Parties included in Annex A or B, and other Parties to the Protocol.

30.4 *Guidance documents relating to joint implementation and criteria for joint implementation are to be adopted at the Third Conference of the Parties to the Convention (COP 3) (Kyoto, December 1997).* **(Russian Federation)**

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31. *Commitments shall be fulfilled individually and not through coordinated actions, including joint implementation.* **(Venezuela et al)**

C. Possible impacts on developing countries of new commitments in the new instrument/socio-economic injuries sustained by developing countries

32.1 A compensation mechanism shall be established to compensate social and economic losses arising from implementation of the present instrument sustained by Annex III Parties. The functions of this compensation mechanism are as follows:

(a) Analyses and assessments of socio-economic impacts of any proposed response measures on developing countries, particularly oil exporting developing countries;

(b) Provision of material, equipment and technologies, on concessional terms, to Annex III countries;

(c) Establishment of a compensation fund; and

(d) Contributions made to this fund by Annex I Parties shall be replenished biannually. These contributions, being compulsory upon Annex I Parties, shall be paid directly to the affected claimant developing country Party/Parties.

32.2 Other details of this mechanism should be decided by the Conference of the Parties.

32.3 Any developing country Party to the Convention shall have a claim against all Annex I Parties, jointly and severally, for loss of income from export of fossil fuels, fossil fuel products, raw materials other than fossil fuels or finished or semi-finished goods in any given year after adoption of this Protocol by the inclusion in this Protocol of commitments by any or all of such Annex _ Parties for QELROs or for policies and measures, or performance or attempted performance by any or all of such Annex _ Parties of any such commitments. For purposes of this paragraph 1, "loss of income" shall be liberally interpreted. Not in limitation of the foregoing, "loss of income" may be estimated by taking into account estimates of gross revenue from the aforesaid exports, which reasonably could be expected to have been received by the claimant in the absence of the inclusion of the aforesaid commitments in this Protocol, less reasonably estimated costs of production and export that likely would have been incurred by the claimant in connection with lost exports.

32.4 A Party to the Convention asserting a claim pursuant to this Article shall submit its claim in writing to any Annex _ Party against whom it makes such claim within six years following the year for which the claim is made.

32.5 Any Annex I Party liable on a claim made pursuant to this Article shall have a claim for contribution against another Annex I Party for the portion of the liability that is attributable to the performance or attempted performance by such other Annex I Party of its commitments referred to in paragraph 1. **(Venezuela et al)**

D. Measurement, reporting and communication of information

33.1 Each Annex A Party shall submit its first communication relating to the Protocol in one year after its entry into force for that Party. Time frames for the submission of subsequent communications should be determined at a later date.

33.2 Guidance documents for the communication of information relating to the Protocol and its review should be developed. **(Russian Federation)**

34.1 Each Annex I Party within six months of the entry into force of this Protocol for that Party, shall communicate to the Conference of the Parties, through the secretariat, the following information:

(a) A detailed description of the policies and measures that it plans to adopt to implement its commitments under Articles _ and _ [*on commitments for QELROs and policies and measures*];

(b) Detailed specific estimates, accompanied by detailed explanation as to the basis of such estimates, of the anticipated effects of each of the policies and measures identified in the communication referred to in subparagraph (a), and of the aggregate anticipated effects of all such policies and measures on the Party's anthropogenic emissions by its sources and removals by its sinks of greenhouse gases during each of the periods referred to in Article _ [*on time-frames for achieving QELROs*].

34.2 Within 12 months of the entry into force of this Protocol for that Party and on or before the 15th day of April of each year thereafter, shall submit to the Conference of the Parties, through the secretariat, a certificate signed by a duly authorized official of that Party, which contains the following information:

(a) Detailed and specific information identifying all changes to the information communicated pursuant to paragraph 1(a) that would make such information more current, informative or reliable;

(b) A list of all laws and other acts of government having the effect of law that, since entry into force of this Protocol for that Party, the Party has adopted in accordance with its internal lawmaking procedures to implement its commitments under Articles _ and _ [*on commitments for QELROs and policies and measures*];

(c) Specific estimates, accompanied by detailed explanation as to the basis of such estimates, of (i) annual imports [measured in physical units and in monetary value] by the Party from the developing country Parties to the Convention of fossil fuels and finished or semi-finished goods following entry into force of this Protocol for that Party; and (ii) any changes in the future amounts of such imports [measured in physical units and in monetary value] which the Party believes could occur following entry into force of this Protocol for that Party and during each of the periods referred to in Article _ [*on time-frames for achieving QELROs*] and in Article _ [*on time-frames for compliance with commitments to adopt or implement policies or measures*]; and

(d) Specific estimates, accompanied by detailed explanation as to the basis of such estimates, of changes [measured in physical units and in monetary value] in the imports identified pursuant to subparagraph (c) that the Party believes may be directly or indirectly

attributable to the Party's actual or prospective fulfillment of its commitments under Articles _ and _ [*on commitments for QELROs and policies and measures*].

34.3 Information communicated by Parties pursuant to paragraph 1 shall be transmitted by the secretariat as soon as possible to each of the Parties to the Convention.

34.4 Upon the initiative of the secretariat, or promptly following delivery to the secretariat of a written request by any Party to the Convention, the secretariat shall undertake an in-depth review of the information contained in a communication or certification submitted by a Party pursuant to paragraph 1 for the purpose of clarifying or supplementing, and making assessments with regard to the completeness and apparent accuracy of all or part of such information. Each Party that has submitted information which is the subject of such in-depth review shall cooperate reasonably with the secretariat in all matters concerning such review. In conducting in-depth reviews, the secretariat shall enlist the assistance of individuals who are qualified to make the assessments referred to above concerning the information that is the subject of such review. Any team or group of individuals providing such assistance to the secretariat shall consist of at least one individual from a developing country for every individual from developed countries and, in so far as feasible, also shall reflect reasonable balance taking into account the diverse nature of the economies of the Parties to the Convention. In so far as possible, the secretariat shall complete each in-depth review that has been requested by a Party to the Convention within six months following receipt of the request and shall transmit a written report of the in-depth review to each Party to the Convention as soon as possible, but no later than four months, following completion of the in-depth review.

34.5 Notwithstanding any other provision of this Protocol, the provisions of Articles _ and _ [*on commitments for QELROs and policies and measures*] shall expire and shall cease to have further force or effect if any one or more Annex _ Parties that, according to the most recent national inventories that have been communicated pursuant to Article 12, paragraph 1 of the Convention, represent individually or in the aggregate 10 per cent or more of the total gross emissions of greenhouse gases [without regard to comparative radiative forcing or consideration of sinks] of all Annex _ Parties:

(a) Shall fail to submit in any one year a communication or a certification as required by paragraph 1; or

(b) Shall fail, at any time after the first anniversary of entry into force of this Protocol, to have adopted, implemented and kept in force policies and measures [including, but not limited to, laws and other acts of government having the effect of law] that, in light of such national inventories, the communications or certifications submitted by such Party or Parties pursuant to paragraph 1, and/or the report of any in-depth review prepared pursuant to paragraph 3 with respect to such communication or certification, reasonably appear to be

necessary to enable such Party or Parties to fulfil its or their commitments set forth in Article _ [*on commitments for QELROs*]. **(Venezuela et al)**

III. CONTINUING TO ADVANCE THE IMPLEMENTATION OF EXISTING COMMITMENTS IN ARTICLE 4.1

A. General elements

35. The future development of the commitments of all Parties is related to the continuation and extension of those activities implemented by all Parties to promote the achievement of the ultimate objective of the Convention which are relevant to achieving sustainable progress under Article 4.1 of the Convention. **(Russian Federation)**

B. Technology transfer

36. Transfer of material, equipment and technology for renewable sources of energy including solar, nuclear and biomass to developing countries, on concessional and preferential terms, shall be ensured. In this context, developed country Parties shall remove all restrictions on such transfers. **(Venezuela et al)**

IV. EDUCATION, TRAINING AND PUBLIC AWARENESS

37. *The statements of Article 6 of the Convention should be used.* **(Russian Federation)**

V. EVOLUTION

38. *Beyond the initial Berlin Mandate commitments to be taken by Annex I Parties, future commitments should be conditional upon the extent of participation in action to restrain emissions.* **(New Zealand)**

VI. INSTITUTIONS AND PROCESSES

A. Financial mechanism

39. *The statements of Article 11 of the Convention should be used.* **(Russian Federation)**

B. Dispute settlement

40. *The statements of Article 14 of the Convention should be used.* **(Russian Federation)**

41.1 When ratifying, accepting, approving or acceding to the Protocol, a Party which is not a regional economic integration organization may declare in a written instrument submitted to the Depositary that, in respect of any dispute concerning the interpretation or application of paragraph 4 of the Article concerning the implementation of commitments (or of any other provision of this Protocol necessary to the interpretation or application of the said paragraph 4) any claim made pursuant to the Article concerning the economic injuries sustained by developing countries and the Article on the compensation mechanism, it recognizes as compulsory ipso facto and without special agreement, in relation to any Party to the Convention accepting the same obligation, arbitration in accordance with procedures to be adopted by the Conference of the Parties.

41.2 A Party which is a regional economic integration organization may make a declaration with like effect in relation to arbitration in accordance with the procedures referred to in subparagraph (b) above. **(Venezuela et al)**

VI. FINAL ELEMENTS

A. Amendments

42. *The statements of Article 15 of the Convention should be used.* **(Russian Federation)**

43.1 Any Party to the Convention may propose amendments to this Protocol. For purposes of Article 17.5 of the Convention, the phrase "Decisions under any Protocol" shall not be interpreted or applied to include adoption of an amendment to this Protocol. The authority to adopt the foregoing is vested in the Conference of the Parties.

43.2 Amendments to this Protocol may be adopted only at an ordinary session of the Conference of the Parties by consensus. The text of any proposed amendment shall be prepared in one of the following languages: Arabic, Chinese, English, French, Russian and Spanish, and shall be translated into each of such other languages, and the secretariat shall communicate the text of the proposed amendment to each of the Parties to the Convention in one of those languages reasonably believed by the secretariat to be preferred by the Party to the Convention at least six months before the meeting of the Conference of the Parties at which it is proposed for adoption. The secretariat also shall communicate proposed amendments to the signatories to the Convention and, for information, to the Depositary.

43.3 An adopted amendment shall be communicated by the secretariat to the Depositary, who shall circulate it to each of the Parties for ratification or acceptance in one of the languages identified in paragraph 2 that is reasonably believed by the Depositary to be preferred by the Party. Instruments of ratification or acceptance in respect of an amendment shall be deposited with the Depositary. An amendment adopted in accordance with paragraph 2 shall enter into force for those Parties having ratified or accepted it on the ninetieth day after the date of receipt by the Depositary of an instrument of ratification or acceptance by at least three fourths of the Parties.

43.4 An adopted amendment shall enter into force for any other Party on the ninetieth day after the date on which that Party deposits with the Depositary its instrument of ratification, acceptance or accession with respect to the amendment. **(Venezuela et al)**

B. Adoption and amendment of Annexes

44.1 Any Party to the Convention may propose annexes to this Protocol, and amendments to annexes to this Protocol. For purposes of Article 17.5 of the Convention, the phrase "Decisions under any Protocol" shall not be interpreted or applied to include adoption of an annex to this Protocol nor amendment to any such annex. The authority to adopt any of the foregoing is vested in the Conference of the Parties.

44.2 Annexes to this Protocol shall form an integral part thereof and, unless otherwise expressly provided, a reference to this Protocol constitutes at the same time a reference to any annexes thereto. Such annexes shall be restricted to lists, forms and any other material of a descriptive nature that is of a scientific, technical, procedural, or administrative character.

44.3 Annexes to this Protocol and amendments to such annexes shall be adopted in accordance with the procedures set forth in paragraphs 1 and 2. Entry into force of annexes to this Protocol and of amendments to such annexes shall be subject to the same procedure and requirements for entry into force of amendments to this Protocol that are set forth in paragraphs 3 and 4, provided that if the adoption of an annex or an amendment to an annex involves an amendment to this Protocol, that annex or amendment to an annex shall not enter into force until such time as the amendment to this Protocol enters into force. **(Venezuela et al)**

C. Right to vote

45. *The statements of Article 18 of the Convention should be used.* **(Russian Federation)**

D. Depositary

46. *The statements of Article 19 of the Convention should be used.* **(Russian Federation)**

E. Ratification, acceptance, approval or accession

47. *The statements of Article 22 of the Convention should be used.* **(Russian Federation)**

F. Entry into force

48. *The statements of Article 23 of the Convention should be used.* **(Russian Federation)**

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49. This instrument shall enter into force on the ninetieth day after ratification, acceptance or accession of all Annex I Parties and on the ninetieth day after implementation of all Annex I Party commitments under the Convention. **(Venezuela et al)**

G. Reservations

50. *The statements of Article 24 of the Convention should be used.* **(Russian Federation)**

H. Withdrawal

51. *The statements of Article 25 of the Convention should be used.* **(Russian Federation)**

52.1 At any time after this Protocol has entered into force with respect to a Party, that Party may withdraw from this Protocol by giving written notification to the Depositary. Any such withdrawal shall take effect on the ninetieth day after the date of its receipt by the Depositary. The Depositary shall communicate to all Parties to the Convention a copy of each such notification of withdrawal.

52.2 Notwithstanding paragraph 1, the withdrawal by an Annex _ Party from this Protocol shall not operate to limit its liability for any claim that may have accrued against it pursuant to Article _ [*on economic injuries sustained by developing countries*] prior to the effective date of such withdrawal. **(Venezuela et al)**

I. Authentic texts

53. *The statements of Article 26 of the Convention should be used.* **(Russian Federation)**

VII. ANNEXES

A. Listing of Parties

54. *The Protocol would include lists of Parties in an Annex A and an Annex B.* **(Russian Federation)**

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55. *An Annex III would include developing country Parties whose economies are highly dependent on the exploitation, production, processing and exportation of fossil fuels.* **(Venezuela et al)**

B. Policies and measures

56. *Annex D would included a detailed list of possible policies and measures to be implemented by Annex A and Annex B Parties.* **(Russian Federation)**

C. Methodological issues

57. *Annex C would set out the global warming potentials of greenhouse gases not controlled by the Montreal Protocol.* **(Russian Federation)**